

PIERCE, ATWOOD, SCRIBNER, ALLEN, SMITH & LANCASTER

ONE MONUMENT SQUARE
PORTLAND, MAINE 04101

207/773-6411

June 21, 1983

FRED C. SCRIBNER, JR.
CHARLES W. ALLEN
JOTHAM D. PIERCE
SIGRID E. TOMPKINS
WILLIAM C. SMITH
RALPH I. LANCASTER, JR.
JEREMIAH D. NEWBURY
DONALD W. PERKINS
GERALD M. AMERO
DONALD A. FOWLER, JR.
BRUCE A. COGGESHALL
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DANIEL E. BOXER
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ALBERT G. AYRE
EVERETT P. INGALLS
MALCOLM L. LYONS
JAMES B. ZIMPRITCH
ERNEST J. BABCOCK
JAMES G. GOOD
JOHN J. O'LEARY, JR.
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DAVID S. WAKELIN
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MICHAEL D. SEITZINGER

BRUCE E. PARMLEY
GREGORY W. POWELL
MERI N. LOWRY
DAVID E. HUNT
SWIFT TARBELL III
THOMAS R. DOYLE
CHRISTOPHER E. HOWARD
RICHARD W. MURPHY
JEFFREY D. CURTIS

LEONARD A. PIERCE
1885-1960

EDWARD W. ATWOOD
1897-1977

AUGUSTA OFFICE
77 WINTHROP STREET
AUGUSTA, MAINE 04330
207/622-6311

14072
RECORDATION NO. _____ Filed 1983
JUN 23 1983 - 3 40 PM
INTERSTATE COMMERCE COMMISSION

3-174A036

No. JUN 23 1983

Date

Fee \$ 50.00

ICC, Washington, D.C. [initials]

Secretary Agatha Mergenovich
Interstate Commerce Commission
Room 2215
12th & Constitution Ave., N.W.
Washington, D.C. 20423

Dear Secretary Mergenovich:

I have enclosed an original and one original counterpart
of the document described below to be recorded pursuant
to Section 11303 of Title 49 of the United States Code.

The document is a lease, a primary document, dated June 21, 1983.

The names and addresses of the parties to the document are
as follows:

Lessor: Casco Bank & Trust Company
One Monument Square
Portland, Maine 04101

Lessee: Maine Central Railroad Company
242 St. John Street
Portland, Maine 04102

A description of the equipment covered by the document
follows:

74 used 100 Ton FMC Ballast Cars with current
identification markings as set forth in
Schedule A annexed to this letter.

A fee of \$50.00 is enclosed. Please return the original
and any extra copies not needed by the Commission for
recordation to me, George J. Marcus, Esq., Pierce, Atwood,
Scribner, Allen, Smith & Lancaster, One Monument Square,
Portland, Maine 04101.

RECEIVED
JUN 23 3 23 PM '83
I.C.C.
FEE OPERATION BR.

Secretary Agatha Mergenovich


Page Two

June 21, 1983

A short summary of the document to appear in the index follows:

Lease between Casco Bank & Trust Company, as Lessor, and Maine Central Railroad Company as Lessee, dated June 21, 1983 and covering 74 used 100 Ton FMC Ballast cars.

Sincerely,

A handwritten signature in cursive script, appearing to read "George J. Marcus".

George J. Marcus
Attorney for
Casco Bank & Trust Company

GJM/eas
enclosure

SCHEDULE A

Current Identification Markings
of 100-Ton Ballast Cars

	<u>Number of Cars</u>
MKT 100,000 through 100,004	5
MKT 100,006	1
MKT 100,008 through 100,012	5
MKT 100,014 through 100,015	2
MKT 100,018 through 100,020	3
MKT 100,023 through 100,029	7
MKT 100,031 through 100,038	8
MKT 100,040 through 100,041	2
MKT 100,043 through 100,044	2
MKT 100,046 through 100,057	12
MKT 100,062 through 100,065	4
MKT 100,067 through 100,069	3
MKT 100,071	1
MKT 100,073 through 100,075	3
MKT 100,077	1
MKT 100,079 through 100,080	2
MKT 100,084	1
MKT 100,086	1
MKT 100,088 through 100,089	2
MKT 100,091 through 100,099	<u>9</u>
TOTAL	74

Above Cars are to be given

New Identification and Markings, as follows:

	<u>Number of Cars</u>
MEC 1300 through 1373	74

Interstate Commerce Commission
Washington, D.C. 20423

6/23/83

OFFICE OF THE SECRETARY

George J. Marcus, Esq.
Pierce, Atwood, Scribner, Allen & Lancaster
One Monument Square
Portland, Maine 04101

Dear Sir:

The enclosed document(s) was recorded pursuant to the provisions of Section 11303 of the Interstate Commerce Act, 49 U.S.C. 11303, on 6/23/83 at 3:40pm, and assigned re-recording number(s). 14072

Sincerely yours,

Agatha L. Mergenovich
Agatha L. Mergenovich
Secretary

Enclosure(s)

RECORDED 14073
JUN 23 1983 3 49 PM
STATE COMMERCE COMMISSION

CASCO BANK & TRUST COMPANY
MASTER EQUIPMENT LEASE

LEASE NUMBER 139

Subject to the terms and conditions of this Master Equipment Lease and the Schedules now or hereafter attached hereto and hereby made a part hereof, hereinafter collectively referred to as the "Lease") the undersigned CASCO BANK & TRUST COMPANY or its affiliate (hereinafter referred to as the "Lessor") hereby leases to the lessee set forth below (hereinafter referred to as "Lessee") and Lessee hereby leases from Lessor, the items of personal property described in the Schedules to this Lease (herein individually and collectively called the "Equipment") upon the terms and conditions appearing herein.

TERMS AND CONDITIONS

SECTION 1 — TERM; RENTAL PAYMENTS, EQUIPMENT

A. **TERM.** This Lease shall become effective on the date of execution, and except as otherwise provided herein, shall terminate as to each Schedule upon expiration of the rental term set forth in the applicable Schedule. The COMMENCEMENT DATE, unless otherwise specified in the applicable Schedule, shall be the earlier of the date upon which the Equipment is placed in service by Lessee, or accepted by Lessee. Lessee shall notify Lessor in writing of the COMMENCEMENT DATE in the manner set forth in Section 1, D.

B. **RENTAL PAYMENTS.** For convenience in payment of rent, in all cases where the COMMENCEMENT DATE is a date not later than the fifteenth day of the month, the rental term shall commence on the first day of such month, and the first rental payment shall be due and payable upon the COMMENCEMENT DATE. In all cases where the COMMENCEMENT DATE is a date between the sixteenth and the last day of the month, inclusive, the rental term shall commence and the first rental payment shall be due and payable on the first day of the next succeeding month. Rental payments shall be in the amounts set forth in the applicable Schedule and shall be due and payable on the first day of each succeeding month of the rental term until the aggregate of all rentals as set forth in the Schedule has been paid in full. Rental payments shall be due and payable without offset, counterclaim, or condition of any kind, and whether or not the Lessee has received any notice that such rental payments are due.

C. **DELIVERY AND INSTALLATION.** Lessee will select the type, quantity, and supplier of each item of Equipment designated in the appropriate Schedule and in reliance thereon such Equipment will then be ordered by Lessor from such supplier or Lessor will accept an assignment of any existing purchase order therefor. Lessor shall have no liability for any delivery or failure by the supplier to fill the purchase order or meet the conditions thereof. Lessee, at its expense, will pay all transportation, packing, taxes, duties, installation, testing and other charges in connection with the delivery, installation and use of the Equipment. In the event that the cost of any item of Equipment described in a particular Schedule is higher or lower than the price set forth in Lessor's purchase order therefor, then the monthly rental shall be changed accordingly to fully reflect any such adjustment. Lessee shall not place in service any unit of Equipment until it has been acquired by and leased from Lessor.

D. **ACCEPTANCE OR REJECTION OF EQUIPMENT.** Lessor hereby appoints Lessee its agent for the purpose of receiving delivery of, inspecting, accepting or rejecting the Equipment. Lessee's execution and delivery of the appropriate Schedule to Lessor shall constitute Lessee's acceptance of the Equipment and certification that the Equipment has been placed in service. In the event Lessee rejects the Equipment or places it in service prior to acceptance of the Equipment, Lessee shall, within three (3) business days, notify Lessor in writing of such placement in service or rejection of the Equipment. Lessor shall be under no obligation to purchase, pay for, or lease any Equipment unless and until it shall have been accepted by Lessee.

E. **LATE PAYMENTS.** In addition to Lessor's rights under Section 7 as to Defaults, Lessee agrees to pay Lessor interest at the rate of 7% per annum on any rental payment not received by Lessor by the end of the fifth day following the due date of such rental payment.

F. **PLACE OF PAYMENT.** All payments called for under this Lease shall be made to Lessor at One Monument Square, Portland, Maine, 04101 or at such other place as may be designated by Lessor (or any assignee of Lessor pursuant to Section 5A) to Lessee in writing.

G. **PAYMENTS TO BE NET.** Lessee agrees that all rental payments or other sums payable by Lessee hereunder shall be the unconditional obligation of Lessee and shall be made without abatement, reduction, counterclaim or setoff of any nature, including any thereof arising out of any present or future claim the Lessee may have against the Lessor or any of its assignees or the manufacturer or vendor of the Equipment or any parts utilized in connection with the Equipment. Except as otherwise expressly provided, this Lease shall not be cancellable or terminable by Lessee prior to the end of the Term, nor shall any of the obligations of the Lessee be affected by reason of any defect in or damage to or loss or destruction of all or any part of the Equipment from any cause whatsoever, or any interference with the Lessee's use of the Equipment by any person, or for any other cause whatsoever. The rents and other amounts payable by the Lessee hereunder shall be paid when due and shall be payable in all events.

SECTION 2 — TAXES; INDEMNITY

A. **INVESTMENT TAX CREDIT:** Except to the extent otherwise agreed in a writing signed by Lessor and Lessee, Lessee acknowledges that, under and subject to the provisions of Section 38 and related provisions of the Federal Internal Revenue Code as from time to time amended, Lessor intends to claim or cause to be claimed on Lessor's federal and state tax returns (including consolidated returns in which Lessor may be included) the maximum investment tax credit based upon a qualified investment equal to 100% of Lessor's costs of the Equipment leased hereunder. If under any circumstances all or any portion of such maximum investment tax credit shall be lost by or shall not be allowed to Lessor for any reason whatsoever (including, without limitation, disallowance of claimed investment tax credit or recapture) other than insufficiency of taxable income or of tax liability of Lessor, Lessee agrees to pay to Lessor as supplemental rent a sum which, after deduction of all federal and state taxes required to be paid by Lessor in respect of the receipt thereof, shall provide to Lessor net funds equal to the benefit of or amount of such investment tax credit lost or not allowed. Such supplemental rent shall be paid by Lessee to Lessor upon Lessor's written demand made at any time after Lessor's payment of the tax attributable to the investment tax credit so lost or not allowed. If any interest or penalty is payable to the federal and/or state government in connection with the payment of such tax, the amounts of such interest or penalty shall also, upon Lessor's demand, be paid by Lessee to Lessor as supplemental rent. Lessee agrees to take no action which would in any way jeopardize said investment tax credit. Lessor represents and agrees that it will take all actions necessary to secure said investment tax credit and it will take no action which would in any way jeopardize Lessor's taking said investment tax credit.

B. INDEMNIFICATION BY LESSEE. The Lessee will pay when due and will indemnify and hold the Lessor harmless from and against: (1) any and all claims of whatsoever kind and nature, and whenever made or accrued, all costs, expenses, damages, losses, and liabilities whatsoever incurred or suffered by Lessor in connection therewith (including fees and expenses of counsel), as a result of, or incident to the ordering, ownership, delivery, acceptance or rejection, management, installation, control, use, operation, disposition or storage of the Equipment, any defect in the Equipment, the use of any design, article or material in connection with the construction or operation of the Equipment which infringes, or is claimed to infringe on, any patent or other right or for any default by Lessee in the performance of any of its obligations hereunder; and (2) all taxes, assessments, fees and charges, levied by any governmental unit or instrumentality thereof, (excluding, except as provided above, taxes on or measured by the net income of Lessor) upon or with respect to this Lease, lease revenues, the Equipment, or the purchase, delivery or transfer of possession of the Equipment. As to the foregoing, Lessee shall timely file any required reports and returns with the appropriate governmental units and timely remit the required payments, except that Lessor shall file required returns or reports relating to retail sales or use taxes and shall remit the amount thereof to the appropriate governmental unit and Lessee shall reimburse Lessor promptly upon demand for the amount of such taxes or any other fees and charges for which Lessee is liable hereunder. When requested by Lessor, Lessee will provide information, copies of returns, or any other evidence satisfactory to Lessor to either evidence Lessee's compliance with this section or to permit Lessor to comply with the requirements of its taxing jurisdictions. To the extent that Lessee may be prohibited by law from performing in the name of Lessee the duties required of Lessee by this section, Lessor hereby authorizes Lessee to act in Lessor's name, provided that Lessee shall indemnify and hold Lessor harmless from any liability arising by reason of any action by Lessee pursuant to this authorization. The Lessee's obligations under this section shall commence with the date the Equipment is ordered by or any purchase order is assigned to the Lessor and shall survive the expiration of this Lease.

SECTION 3 – LESSOR'S PROTECTION

A. INSURANCE. Lessee shall, at Lessee's sole cost and expense, procure all risk and physical damage insurance in amounts not less than the full insurable value of the Equipment, in form and content, and with carriers satisfactory to Lessor. Such insurance, if requested by Lessor, shall name Lessor as the sole insured. In addition, Lessee shall procure comprehensive public liability and property damage insurance with respect to the Equipment, in such amount, with such carriers, and in such form as shall be satisfactory to Lessor, naming Lessee as an insured and Lessor as an additional insured. Upon request Lessee shall provide Lessor with satisfactory evidence of all such insurance. The policies for such insurance shall provide in any event that Lessor shall receive 30 days' notice of any termination, cancellation, or alteration of the terms of such insurance and shall provide that the coverage afforded to Lessor shall not be rescinded, impaired or invalidated by any act or neglect of Lessee. Lessor is under no duty to ascertain the existence of insurance or to advise the Lessee of compliance with the above.

B. RISK OF LOSS, ECONOMIC OR TECHNOLOGICAL OBSOLESCENCE, TERMINATION. The Equipment, from and after the earlier of the date of order or date of shipment, and until returned to Lessor, shall be, at all times, at the sole risk of Lessee for, including without limitation, injury, damage (including damage to third parties and their property), loss, destruction, theft, conversion, governmental appropriation, condemnation, seizure, or other casualty. In the event of total destruction of any Equipment or damage beyond repair or the commandeering, conversion or other loss of any Equipment, or if the use of any Equipment by Lessee is prevented by the act of any third person or any governmental instrumentality for a period exceeding 90 days, or if any Equipment is levied upon, seized or attached (other than on a claim against Lessor but not against Lessee) or is seriously damaged and the attachment is not removed or the Equipment cannot, with due diligence, be repaired, as the case may be, within a period of 60 days, or in the event that any Equipment shall in the good faith judgment of Lessee become economically or technologically obsolete, then in any such event Lessee shall notify Lessor in writing of such fact and upon such notification, this Lease with respect to any such Equipment shall terminate. In any such event Lessor may in its discretion by written notice require that Lessee shall within ten (10) days thereafter, pay to Lessor an amount equal to the Stipulated Loss Amount as set forth in the applicable Schedule. Upon such payment, Lessee shall, provided that Lessee is not in default hereunder, have the right to purchase the Equipment, as is and where is, at its then fair market value as then determined in good faith by Lessor; and the amount of such Stipulated Loss Amount received by Lessor pursuant to this Section shall be credited against such fair market value purchase price and any excess over such fair market value shall be retained by Lessor.

SECTION 4 – OWNERSHIP; NO WARRANTIES

A. TITLE; PERSONAL PROPERTY; ENCUMBRANCES; LOCATION. Lessee covenants that the ownership of the Equipment is and at all times shall remain in Lessor and that Lessee shall acquire no equity or other interest in the Equipment by reason of payments hereunder or otherwise. Lessee further covenants that the Equipment is and shall remain personal property and shall not be attached to or become part of any realty; that it shall be installed and used at the location specified in any Schedule pertaining thereto and that it shall not be removed therefrom; provided, however, that Lessee shall have the right, upon written notice to Lessor, to move the Equipment between various locations or offices of Lessee in the State of Maine and that except as provided hereinafter, Lessee will not sell, mortgage, assign, transfer, lease, sublet, loan, part with possession of or encumber the Equipment or permit any liens or charges to become effective thereon or permit or attempt to do any of the acts aforesaid. Lessee agrees, at Lessee's own expense, to take such action as may be necessary (1) to remove any such encumbrance, lien or charge, and (2) to prevent any third party from acquiring any other interest in any Equipment (including, without limitation, by reason of such Equipment being deemed to be a fixture or a part of any realty). Lessee shall, at its expense, affix and maintain on the Equipment a plate, satisfactory to Lessor, indicating Lessor's ownership thereof.

B. NO INVESTMENT IN EQUIPMENT BY LESSEE. Lessee warrants to Lessor and covenants that Lessee shall not have any investment in the cost of Equipment leased hereunder at any time when it is owned by Lessor and leased hereunder to Lessee. With respect to any Equipment acquired and leased to Lessee hereunder, Lessee shall notify Lessor as to any costs thereof which may have been paid or be payable by Lessee, so that Lessor may in its discretion agree to assume and pay all the costs of Equipment upon acquisition. Lessee shall not make or permit any improvement, modification or addition to any Equipment unless either (a) the same is acquired by Lessor and added to the leased Equipment by mutual agreement by Lessor and Lessee, evidenced by an additional Schedule, specifying additional rent therefor; or (b) the same is readily removable without causing material damage to, or material impairment of the functional effectiveness of, the Equipment, and is acquired, paid for and owned by Lessee, provided that Lessee shall concurrently furnish to Lessor written notice of such acquisition by Lessee pursuant to this clause (b). Subject to the foregoing, any and all accessions, alterations, substitutions, additions, modifications and improvements to Equipment of any nature shall immediately become Lessor's property and thereupon for all purposes shall become Equipment hereunder. If, after Lessor's acquisition of any Equipment, any addition, modification or improvement thereto is required for compliance with applicable law, ordinances, or governmental rules or regulations and such cannot be made by Lessee pursuant to clause (b) foregoing, Lessee shall forthwith give Lessor written notice of the requirement and Lessor and Lessee shall attempt in good

faith to reach an agreement whereby Lessor will acquire and lease such addition, modification or improvement as contemplated by clause (a) foregoing.

C. **MAINTENANCE; ACCESSIONS; INSPECTION; ALTERATIONS.** Lessee agrees to maintain the Equipment in first-class condition and working order in accordance with the specifications of the vendor and shall provide for all maintenance services customarily rendered for the type of equipment covered by such agreement; but Lessee shall not be responsible for ordinary wear and tear of the Equipment. [Subject to the provisions of subparagraph B of this section, all replacements or substitutions of parts of or in any of the Equipment, shall constitute accessions thereto and shall become part of the Equipment owned by Lessor.] Upon Lessor's request, Lessee will permit Lessor to have access to the Equipment at all reasonable times for the purpose of inspection and examination. Lessee shall make no material alterations in the Equipment without the prior written consent of Lessor. Lessee will permit the Equipment to be operated and repaired only by qualified personnel.

D. **USE OF EQUIPMENT.** Lessee shall be entitled to the right to possession and control of the Equipment and the use thereof during the Term of the Schedule under which it is leased so long as no Event of Default has occurred. Lessee will comply with all laws, regulations and ordinances and all applicable requirements of the manufacturer of the Equipment, applicable to the physical possession, operation, condition, use and maintenance of the Equipment. Lessee agrees to obtain all permits and licenses necessary for the operation of the Equipment.

* * **NO WARRANTIES** * *

E. **DISCLAIMER OF WARRANTIES.** LESSOR MAKES NO WARRANTY OR REPRESENTATION, EITHER EXPRESS OR IMPLIED, AS TO THE DESIGN OR CONDITION OF, OR AS TO THE QUALITY OR ADEQUACY OF THE EQUIPMENT, OR OTHER MATERIAL UTILIZED IN CONNECTION WITH THE EQUIPMENT DELIVERED TO LESSEE HEREUNDER; AND LESSOR MAKES NO WARRANTY OF MERCHANTABILITY OR FITNESS OF THE EQUIPMENT, OR ANY COMPONENT THEREOF OR AS TO ANY OTHER MATTER, IT BEING AGREED THAT ALL SUCH RISKS AS BETWEEN LESSOR AND LESSEE ARE TO BE BORNE BY LESSEE, AND THE BENEFITS OF ANY AND ALL IMPLIED WARRANTIES OF LESSOR ARE HEREBY WAIVED BY LESSEE. Lessee acknowledges that it has selected the Equipment on the basis of its own judgment and expressly disclaims any reliance upon any statements or representations made by Lessor. NO REPRESENTATION AS TO THE EQUIPMENT OR ANY OTHER MATTER BY THE LESSOR OR THE VENDOR SHALL IN ANY WAY AFFECT LESSEE'S DUTY TO PERFORM ITS OBLIGATIONS AS SET FORTH IN THIS LEASE OR ANY SUCH SCHEDULE A. IN NO EVENT SHALL LESSOR BE LIABLE FOR ANY INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES.

SECTION 5 — ASSIGNMENT; RETURN OF EQUIPMENT

A. **ASSIGNMENT.** Lessee shall not assign this Lease or any Schedule or any interest therein, or sublease any Equipment, or part with possession of any Equipment, without the prior written consent of Lessor. Lessor's right, title and interest in and to this Lease, any Schedule and the Equipment may be transferred and assigned by Lessor without notice and Lessor's assignee shall have all the rights, powers, privileges and remedies of Lessor hereunder. Except to the extent any such assignee otherwise agrees in writing, such assignee shall not be obligated to perform any of the obligations of Lessor hereunder, and Lessee shall not be entitled to terminate or amend this Lease or any Schedule without the written consent of such assignee; which consent shall not be unreasonably withheld by Lessor.

B. **RETURN OF EQUIPMENT.** Lessee shall, at its own cost and expense, at the end of the Term of any Schedule or this Lease, crate, assemble, and ship the Equipment, freight and insurance prepaid, in a proper manner to Lessor or its designee, to any location specified by Lessor within the state in which the Equipment was delivered or thereafter removed with the written consent of Lessor. All costs of removal, assembly, packing and delivery shall be borne by Lessee. The Equipment shall be in good operating condition as required by Section 4B.

SECTION 6 — FAIR MARKET VALUE PURCHASE OPTION

Lessor hereby grants to Lessee the option to purchase any unit of Equipment at the expiration of the original or any extended term of lease thereof for cash, as is and where is, at a price equal to the then fair market value of such Equipment as then determined in good faith by Lessor, plus all applicable sales taxes.

SECTION 7 — DEFAULT

A. **EVENTS OF DEFAULT; REMEDIES; EXPENSES.** In any of the following events: (1) Lessee shall fail to pay all or any portion of any installment of rental or other payment under the Lease or any Schedule, when and as the same shall become due and payable, and shall continue to fail to do so for a period of 10 days; (2) any representation or warranty made in connection with the transaction contemplated by this Lease or any Schedule shall prove to have been false or misleading in any material respect as of the date on which the same was made; (3) Lessee shall fail to duly observe or perform any covenant, condition or agreement made by it under the Lease or any Schedule and shall continue to fail to do so for a period of 30 days after written notice from Lessor; (4) Lessee shall commit an act of bankruptcy within the meaning of the Federal Bankruptcy Act; or shall become insolvent as that term is defined in the Federal Bankruptcy Act; or bankruptcy, receivership, insolvency, reorganization, dissolution, liquidation or other similar proceedings shall be instituted by or against Lessee or all or any part of its property under the Federal Bankruptcy Act or other law of the United States or of any state or other competent jurisdiction and if against Lessee, it shall consent thereto or shall fail to cause the same to be dismissed within 60 days; (5) Lessee shall fail to meet, when due, any of its trade, tax, or other current obligations, except such obligations as are at the time being contested diligently and in good faith; (6) Lessee's existence or independent operations shall terminate by reason of discontinuance, merger, sale of substantially all of its assets, or otherwise; (7) Lessee's business shall fail or it shall consent to an assignment for the benefit of creditors; (8) the occurrence or existence of a default or other event or condition entitling any holder to accelerate the maturity of any indebtedness of Lessee (or for which Lessee is obligated as guarantor or surety) whether such indebtedness is evidenced by a note, bond, debenture, or other evidence of indebtedness; (9) if Lessee is a partnership, the occurrence of any event of default as defined herein with respect to any general partner; (10) Lessee shall offer a composition or extension of its indebtedness to its creditors, or execute a Deed of Trust; (11) Lessee shall cause to be made or sent a notice of an intended bulk sale; then and in any such event this Lease and every Schedule shall be in default and the Lessor, at its option, after notice in writing to Lessee, may terminate this Lease and any Schedule and exercise any one or more of the following remedies: (a) Lessor may terminate this Lease and Lessee's rights hereunder, in which event Lessee shall pay, as liquidated damages for loss of a bargain and not as a penalty, to the Lessor an amount equal to the Stipulated Loss Amount as defined in paragraph 4 determined as of the date the default occurred, plus all other amounts then payable to the Lessor hereunder; (b) the Lessor may cause the Lessee at the Lessee's expense to deliver the Equipment to the Lessor's place of business, in Portland, Maine or to such other location as

described in Section 5B; (c) the Lessor may enter upon the premises where the Equipment is located and take immediate possession of and remove the Equipment by summary proceedings or otherwise, all without liability to the Lessor for or by reason of such entry or taking possession, and for such purpose Lessee hereby grants to Lessor permission to enter upon any premises where the Equipment is located; (d) the Lessor may hold, use, operate, store or may sell or re-lease the Equipment in a public or private sale or lease transaction at which Lessor may bid for or purchase the Equipment and with or without notice to the Lessee or advertisement, as the Lessor may determine, and the Lessor may hold the Lessee liable as liquidated damages and not as a penalty, for (i) any unpaid rent due on or before the date of such sale or re-lease, plus (ii) any deficiency between the net proceeds actually received from such sale or re-lease (computed by deducting from the gross proceeds of the sale or re-lease all expenses incurred in the termination of this Lease, all commissions and other expenses of the sale or re-lease and any amounts for which the Lessor would be liable or which would constitute a lien on the Equipment if not paid) and the entire unpaid balance of rents payable hereunder, plus (iii) all other amounts payable to the Lessor hereunder; or (e) the Lessor may rescind this Lease or exercise any other right or remedy which may be available under applicable law or proceed by appropriate court action to enforce the terms hereof or to recover the damages for the breach hereof. In addition, and in any event, the Lessee shall be liable for all costs and expenses (including attorneys' fees) incurred by reason of the occurrence of any Event of Default and the exercise of the Lessor's remedies with respect thereto. No remedy referred to in this section is intended to be exclusive, but each shall be cumulative and in addition to any other remedy referred to above or otherwise available to the Lessor at law or in equity; and the exercise or beginning of exercise by the Lessor of any one or more of such remedies shall not preclude the simultaneous or later exercise by the Lessor of any or all such other remedies.

If notice of any sale or other disposition of Equipment is required by applicable law, written notice thereof given not less than five (5) days prior to the date thereof shall constitute reasonable notice to Lessee. To the extent permitted by applicable law, LESSEE WAIVES ANY AND ALL RIGHTS TO NOTICE AND TO A JUDICIAL HEARING WITH RESPECT TO THE REPOSSESSION OF EQUIPMENT BY LESSOR IN ANY EVENT OF DEFAULT HEREUNDER BY LESSEE.

SECTION 8 — MISCELLANEOUS

A. PERFORMANCE OF OBLIGATIONS OF LESSEE BY LESSOR. In the event that Lessee shall fail duly and promptly to perform any of its obligations under the provisions of this Lease to be performed by Lessee, Lessor may, at its option, immediately or at any time thereafter perform the same for the account of Lessee without thereby waiving such default, and any amount paid or expense or liability incurred by Lessor in such performance, together with interest at the rate of 14% per annum thereon, but not in excess of the amount permitted by any applicable law, until paid by Lessee to Lessor, shall be payable by Lessee upon demand as additional rent for the Equipment.

B. NOTICES; NO WAIVER; TIME; ENTIRE AGREEMENT; SEVERABILITY; GOVERNING LAW. Any notices to be given under this Lease shall be effective at the end of the fifth day following the mailing thereof, first-class mail postage prepaid via the U.S. mails, to the other party at the address set forth below or such other address as such party may have specified by written notice. No failure on the part of Lessor to exercise, and no delay in exercising, any right hereunder shall operate as a waiver thereof. No acceptance of any late payment or substitute or late performance shall constitute a waiver of any default; nor shall any single or partial exercise by Lessor of any right hereunder preclude any other further exercise thereof or the exercise of any other right. Time is of the essence of this Lease. This Lease and any Schedule executed pursuant hereto represents the entire agreement between Lessor and Lessee as to the Equipment and may not be altered, amended, changed, or terminated without an agreement in writing signed by a duly authorized officer of Lessor. Any provision of this Lease which is invalid under the law of any state shall, as to such state, be ineffective to the extent of such prohibition in such state only, without invalidating the remaining provisions of this Lease in such state. This Lease is entered into and shall be governed and construed in accordance with the laws of the State of Maine. Lessee hereby consents to and submits to the jurisdiction of the courts of the State of Maine and appoints the Secretary of State of the State of Maine as its agent for service of process.

C. FURTHER ASSURANCE. Lessee and Lessor will promptly execute and deliver to each other (or any assignee of Lessor) such further documents and take such further action as may be requested in order to more effectively carry out the intent and purpose hereof, including without limitation, the filing of financing and continuation statements. Lessee hereby authorizes Lessor to effect any such filing as aforesaid (including the filing of any such financing or continuation statements without the signature of Lessee).

D. FINANCIAL STATEMENTS. Lessee will provide Lessor with annual financial statements prepared in accordance with generally accepted accounting principles, and certified by an independent certified public accountant. In addition, Lessee will provide Lessor with such interim financial statements, certified by Lessee's chief financial officer, as Lessor shall from time to time or at any time request. All statements provided by Lessee shall be in such form and with such content as shall be prescribed by Lessor.

E. LESSOR'S ASSIGNMENT OF RIGHTS. Lessor agrees to assign all of its rights under any vendor's or manufacturer's warranties and will cooperate fully with Lessee at Lessee's sole cost and expense, in enforcing said warranties or any rights, claims or causes of action against any vendor or manufacturer.

By the execution hereof, the Lessee or person signing on behalf of the Lessee hereby certifies that the person signing this instrument is duly authorized to execute this MASTER EQUIPMENT LEASE on behalf of the Lessee.

DATED: June 21, 1983

CASCO BANK & TRUST COMPANY

Lessor

By Denise Gallandt
Its Vice-President

Address: One Monument Square
Portland, ME 04101

Lessee Maine Central Railroad Company

By Stanley W. Watson
Its Treasurer

Address: 242 St. John Street
Portland, ME 04102

CASCO BANK & TRUST COMPANY

MASTER EQUIPMENT

LEASE SCHEDULE A

LEASE NUMBER 139

Between Casco Bank & Trust Company (Lessor) and Maine Central Railroad Company (Lessee)

1. DESCRIPTION OF EQUIPMENT:

<u>Item</u>	<u>Quantity</u>	<u>Identifying Marks</u>
100-Ton Ballast Cars	74	See Exhibit B attached

2. The above Equipment has been delivered to Lessee and is to be located on the lines of Lessee in Maine, New Hampshire, or Vermont or on lines of Boston and Maine Corporation or Delaware and Hudson Railway Company, or their successors.

3. EQUIPMENT COST (net of sales tax): \$666,000.00

4. LEASE COMMENCEMENT DATE: July 1, 1983

5. TERM OF LEASE: 84 months

6. AGGREGATE RENTAL FOR TERM: \$934,824.24 payable in monthly installments in advance of \$11,128.86

7. STIPULATED LOSS AMOUNTS: See Exhibit C attached.

8. INSURANCE: Lessee is hereby permitted to be self-insured both as to all risk and physical damage insurance and public liability and property damage insurance with respect to the above Equipment.

9. INVESTMENT TAX CREDIT: Lessor does not intend to claim Investment Tax Credit on the above Equipment.

10. Lessor hereby agrees that Lessee may sublet the Equipment described in this Schedule A, or any portion thereof, to either the Boston and Maine Corporation (but only after the assets thereof have been acquired by the affiliated group of corporations of which the Lessee is a part) or the Delaware & Hudson Railway Company, or their successors, without first obtaining the written consent of Lessor; provided, however, that (1) the term of any such sublease shall not exceed 90 days in any one instance, (2) except for the term as set forth in the proceeding clause, such sublease shall be on the same terms and conditions as set forth in the Master Equipment Lease and any Schedule thereto, (3) the sublessee shall be bound by the duties and obligations of Lessee under said Master Equipment Lease and any Schedule thereto, and (4) no such sublease shall release or discharge Lessee from any of its duties or obligations under the Master Equipment Lease or any Schedule thereto.

11. This Schedule and its terms and conditions are hereby incorporated in the Master Equipment Lease referred to above.

DATED: June 21, 1983

CASCO BANK & TRUST COMPANY
Lessor

BY:

Its

Dennis Gallaudet

MAINE CENTRAL RAILROAD COMPANY
Lessee

BY:

Its

Stanley M. Watson
Treasurer

CASCO BANK & TRUST COMPANY

MASTER EQUIPMENT

LEASE NUMBER 139EXHIBIT BCurrent Identification Markings
of 100-Ton Ballast CarsNumber of Cars

MKT 100,000 through 100,004	5
MKT 100,006	1
MKT 100,008 through 100,012	5
MKT 100,014 through 100,015	2
MKT 100,018 through 100,020	3
MKT 100,023 through 100,029	7
MKT 100,031 through 100,038	8
MKT 100,040 through 100,041	2
MKT 100,043 through 100,044	2
MKT 100,046 through 100,057	12
MKT 100,062 through 100,065	4
MKT 100,067 through 100,069	3
MKT 100,071	1
MKT 100,073 through 100,075	3
MKT 100,077	1
MKT 100,079 through 100,080	2
MKT 100,084	1
MKT 100,086	1
MKT 100,088 through 100,089	2
MKT 100,091 through 100,099	<u>9</u>
TOTAL	74

Above Cars are to be given
New Identification and Markings, as follows:

Number of Cars

MEC 1300 through 1373	74
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Exhibit C

STIPULATED LOSS AMOUNTS:

DATE	PERCENT OF COST
783	102.45
883	101.86
983	101.26
1083	100.64
1183	100.00
1283	99.34
184	98.02
284	97.33
384	96.62
484	95.90
584	95.17
684	94.43
784	93.67
884	92.89
984	92.10
1084	91.30
1184	90.48
1284	89.65
185	88.79
285	87.84
385	86.95
485	86.10
585	85.19
685	84.27
785	83.34
885	82.39
985	81.43
1085	80.45
1185	79.46
1285	78.45
186	77.43
286	76.39
386	75.34
486	74.27
586	73.19
686	72.09
786	70.97
886	69.84
986	68.69
1086	67.53
1186	66.35
1286	65.16
187	63.95
287	62.72
387	61.48
487	60.22
587	58.94
687	57.65
787	56.34
887	55.02
987	53.67
1087	52.31
1187	50.94
1287	49.54
188	48.12
288	46.69
388	45.25
488	43.79
588	42.31
688	40.82
788	39.31
888	37.77
988	36.22
1088	34.65
1188	33.07
1288	31.47
189	29.84
289	28.19
389	26.52
489	24.83
589	23.12
689	21.40
789	19.65
889	17.87
989	16.09
1089	14.29
1189	12.47
1289	10.62
190	8.75
290	6.83
390	4.88
490	2.93
590	0.97
690	1.00

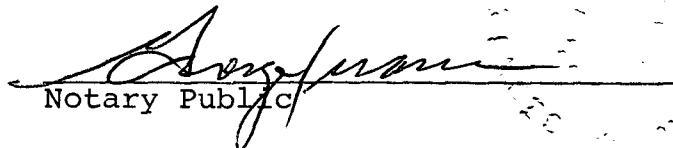
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ACKNOWLEDGEMENT TO MASTER EQUIPMENT LEASE
DATED JUNE 21, 1983 BETWEEN CASCO BANK & TRUST COMPANY,
LESSOR AND MAINE CENTRAL RAILROAD COMPANY, LESSEE

STATE OF MAINE
COUNTY OF CUMBERLAND, SS

On this 21st day of June, 1983, before me personally appeared Dennison Gallaudet, to me personally known, who being by me duly sworn, says that he is Senior Vice President of Casco Bank & Trust Company, that the seal affixed to the foregoing instrument is the corporate seal of said Casco Bank & Trust Company, that said instrument was signed and sealed on behalf of said Casco Bank & Trust Company by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said Casco Bank & Trust Company.

Before me,


Notary Public

State of Maine

MY COMMISSION EXPIRES
NOVEMBER 3, 1983

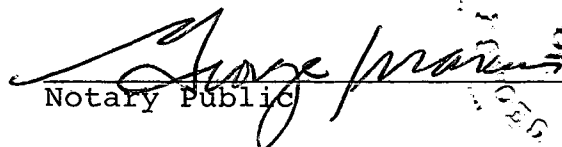
My commission expires _____

ACKNOWLEDGEMENT TO MASTER EQUIPMENT LEASE
DATED JUNE 21, 1983 BETWEEN CASCO BANK & TRUST COMPANY,
LESSOR AND MAINE CENTRAL RAILROAD COMPANY, LESSEE

STATE OF MAINE
COUNTY OF CUMBERLAND, SS

On this 21st day of June, 1983, before me personally appeared Stanley W. Watson, to me personally known, who being by me duly sworn, says that he is the Treasurer of Maine Central Railroad Company, that the seal affixed to the foregoing instrument is the corporate seal of said corporation, that said instrument was signed and sealed on behalf of said corporation by authority of its Board of Directors, and he acknowledged that the execution of the foregoing instrument was the free act and deed of said corporation.

Before me,


Notary Public

State of Maine

My commission expires

MY COMMISSION EXPIRES
NOVEMBER 3, 1983